



STATE OF WASHINGTON
DEPARTMENT OF LABOR AND INDUSTRIES

Retrospective Rating Program
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DATE: January 11, 2005

TO: Retro Advisory Committee

FROM: Frank Romero (Chair), Retro Program Manager

SUBJECT: Minutes of October 12, 2004, committee meeting

Guest Speakers

- Dr. Steve Sorsby – U.S. Healthworks
- Jack Simmering – CEO, HealthForce USA
- Terry Peterson – Legal Counsel, Comprehensive Risk Management

Opening Remarks

Frank opened the meeting at 1:05 PM and apologized to the committee for not having the minutes from the July meeting available and promised to get them out in the future.

Introductions

Committee and audience members introduced themselves; new committee member Debbie Sullivan was also introduced.

Business

The meeting began with committee chair **Frank Romero** explaining that he wanted to open up dialog on the issue of direct pay of workers' compensation medical benefits by employers, and to try and end some of the confusion this subject had generated recently.

Frank then introduced **Dr. Steve Sorsby**. Dr. Sorsby explained that *US Healthworks* operates a number of clinics in and around King County and that several are COHE participants. He indicated that employers often bring injured workers to their clinics for treatment. Dr. Sorsby indicated that they always inform a worker of their right to file a claim, and assist them in the completion of paperwork. They also inform the worker of their right to select a physician of their choice. Dr. Sorsby said that they had been approached in the past by employers to allow them to pay for the medical bill directly but did not allow that practice when the worker indicated they wanted to file a workers' compensation claim. Dr. Sorsby did not indicate who these employers were or if they were self-insured (SI) employers. He did say that if a claim was filed they always billed L&I or the SI employer.

Jack Simmering of *HealthForce USA* said that his company did not operate medical clinics and in his view the service they offered was not a medical service. He indicated his service was patient education. He further explained they never see patients and never establish a doctor/patient relationship. To obtain service the employer contracts with HealthForce and pays them a flat monthly based on the number of employees. This buys a 24 hour call center where workers can call and speak with a doctor regarding medical questions or issues. The service covers any medical question (both work and/or non-work related). What they do is offer the worker information about the injury or illness and advice as to whether they should get immediate medical attention for the condition.

Terry Peterson of *Comprehensive Risk Management* gave an overview of the various laws that deal with injury reporting requirements imposed on doctors, workers and employers. Terry offered his view on the services that HealthForce USA offered and indicated that he did not believe it constituted a medical service. Terry also stated that whether or not L&I had the authority to adopt a retro rule that removes employers from retro if they are found to have paid for medical services related to workplace injuries– the employers and associations agree contractually to obey L&I rules– and therefore the rule applies by contract.

Members of the audience asked questions of the speakers to get further clarification of the services provided. Some association representatives made claims that some employers were engaging in this prohibited practice as was a couple of associations. Frank requested that they provide him with names and that L&I would look into the matter. One individual indicated that they had provided information to a prior administrator and that nothing was done. Frank re-emphasized that L&I has been consistently clear about this prohibited practice.

Several members in the audience requested that L&I send out another letter to retro employers outlining the agency's position on direct pay of medical.

Several individuals discussed situations where an employer may have paid a medical bill to help a worker and not with the intent of defrauding the system. An example was a worker files a claim and the same day the claim is filed goes to the pharmacy to fill a prescription. Since there is no claim number the worker is required to pay for the prescription and often times the employer will pay this directly or reimburse the worker and not seek reimbursement because of the red tape with L&I. Retro employers and associations felt that L&I should not punish an employer in these situations.

Frank also addressed the employer's obligation to provide notice to L&I when a worker obtains medical treatment for a work related injury or illness irrespective of if the worker files a claim.

Adjournment

The meeting was adjourned at 3:45 PM.

Next Meeting: Tuesday, January 11, 2005